

**Thursday, August 12, 2004**

**CMS MAKES CHANGES TO THE CENTER FOR BENEFICIARY CHOICES TO  
SUPPORT THE IMPLEMENTATION OF THE  
MEDICARE MODERNIZATION ACT**

CMS Administrator Dr. Mark McClellan and Deputy Administrator Leslie Norwalk have restructured the Center for Beneficiary Choices (CBC) to more effectively address the program changes resulting from the Medicare Modernization Act. CBC is facing some major new responsibilities and opportunities in overseeing the biggest expansion of Medicare benefits in the history of the program. We want you to know about changes that became effective on August 22, 2004 in the organization of CBC to make the most of these new opportunities with the Medicare Modernization Act including the new Medicare Advantage and Medicare Prescription Drug Plan programs, and new support and coordination for our beneficiary services. These changes are the result of extensive discussions and planning by CBC leadership and the Office of the Administrator.

We are implementing two major types of organizational changes. One focus is to provide better support for providing new Medicare benefits, and the other is to provide better support to people with Medicare so that they can get the best out of their Medicare benefits, rights and protections.

Specifically, CBC includes three new benefit groups, each focusing on one of the major types of new benefits that will be available to Medicare beneficiaries. The new Medicare Advantage Group is responsible for the administration of the new, enhanced Medicare Advantage (MA) Program, including the regional PPO program. The new Medicare Drug Benefit Group is responsible for the implementation of the Medicare Part D Prescription Drug Program. We have also established a new Employer Policy and Operations Group to serve as a focal point for employer operations, including the new MMA retiree drug subsidy program. In addition, the new Medicare Plan Accountability Group is responsible for performance assessment, plan enrollment and payment operations for the MA Plans and the Prescription Drug Plans (PDPs). These groups will include staff from the current Health Plan Benefits Group, as well as other experts from elsewhere in the agency and a significant number of new CMS hires.

The current Health Plan Policy Group has been split into two new Groups. The new Medicare Plan Policy Group is responsible for policy formulation and articulation for Medicare Advantage, Prescription Drug plans and Medigap plans. The new Medicare Appeals and Enrollment Group will handle all Medicare beneficiary appeals and enrollment policy and operations (more on beneficiary support below).

Gary Bailey will continue to provide his key leadership in all of these important areas of new benefits development and plan management.

As we implement the MMA, we are increasing our commitment to personalizing Medicare by ensuring that people with Medicare get the information and assistance they

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need to get the benefits and choices that are best for them. A new Ombudsman Staff will be responsible for ensuring that people with Medicare receive the information and assistance they need to exercise their Medicare rights and that beneficiary grievances and appeals are handled efficiently and effectively. The Privacy Rights and Protection Staff will continue its work ensuring that CMS protects the privacy of individuals and the confidentiality of health records under HIPAA and the Privacy Act. The Beneficiary Services and Partnership Group, is responsible for responding to the information and assistance needs of people with Medicare, their families, caregivers and other members of the public directly, through partner organizations and the State Health Insurance and Assistance Programs. The Beneficiary Information and Services Group, manages Medicare beneficiary contact centers in the Medicare fee-for-service contractors and the 1-800 Medicare toll-free service contracts, this group also manages the Agency's external websites and content development and presentation for [www.medicare.gov](http://www.medicare.gov). The Beneficiary Education and Analysis Group, is responsible for the development and publication of reference materials for people with Medicare, consumer research to ensure that information is presented in a way that is meaningful to the audience, the administration and analysis of the Medicare CAHPS surveys, and for the development and implementation multimedia communications strategies. Finally, the Business Operations Staff remains responsible for a variety of administrative and financial management functions for CBC.

Michael McMullan will continue to provide key leadership in all of these activities related to beneficiary education, support, and protection.